

Honolulu, Hawaii

March 6, 2015

RE: H.B. No. 1286
H.D. 2

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Eighth State Legislature
Regular Session of 2015
State of Hawaii

Sir:

Your Committee on Finance, to which was referred H.B. No. 1286, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO ENERGY,"

begs leave to report as follows:

The purpose of this measure is to plan for the State's facility systems with regard to energy objectives by:

- (1) Eliminating Hawaii's dependence on imported fuels for electrical generation and ground transportation;
- (2) Diversifying energy generation;
- (3) Considering utility models that place the social and financial interests of Hawaii's ratepayers first;
- (4) Increasing energy efficiency and decreasing energy use in public infrastructure; and
- (5) Ensuring that fossil fuels such as liquefied natural gas be used only as a transitional, limited-term replacement of petroleum for electricity generation and do not impede the development of renewable energy sources.

The Hawaii Renewal Energy Alliance, Hawaii Solar Energy Association, Environmental Caucus of the Democratic Party of Hawaii, and a concerned individual provided testimony in support



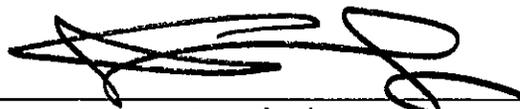
of this measure. The Department of Business, Economic Development & Tourism; AES Hawaii, Inc.; Hawaiian Electric Company, Inc.; Hawaii Electric Light Company, Inc.; and Maui Electric Company, Ltd. submitted comments on this measure.

Your Committee has amended the measure by:

- (1) Changing the effective date to July 1, 2030, to allow for further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1286, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1286, H.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Finance,



SYLVIA LUKE, Chair



